

**SCOTTSDALE AIRPORT ADVISORY COMMISSION  
VIA LINDA CENTER, 10440 E. VIA LINDA, SCOTTSDALE, AZ**

**NOVEMBER 19, 2003  
REGULAR MEETING**

**MINUTES**

<b>PRESENT:</b>	Donald Maxwell, Chairman Tom Guilfooy Bill Mack Phil Vickers	Leonard Tinnan, Vice Chairman Mike Osborne Fred Madanick
<b>STAFF:</b>	Scott Gray, Aviation Director Gary Mascaro, Asst. Aviation Director Jennifer Lewis, Airport Planner	Chris Read, Asst. Aviation Director Matt Johnson, Airport Specialist
<b>OTHER(S):</b>	John Frevola, Corporate Jets, Inc. Craig Stahl, Pragmatic Aviation Sean McCarthy, The Arizona Republic	Terry Williamson, James Warren William Smith, Smith Aircraft Services, Inc.

**CALL TO ORDER**

Chairman Maxwell called the meeting to order at 6:45 p.m.

**ROLL CALL**

A formal roll call confirmed members present as stated above.

**APPROVAL OF MINUTES**

**Item 1 - Action**

Approval of the Minutes of the October 8, 2003 meeting.

Vice Chairman Tinnan made a motion to approve the minutes of the October 8, 2003 meeting. Commissioner Vickers noted on page 6, continuation of item 13, paragraph 5, at the bottom it states, "Commissioner Vickers suggested the Commission could bring this issue to the Security Task Force and let them get back to the Commission. Commissioner Madanick agreed..." Commissioner Vickers stated he believed it was Chairman Maxwell who made that recommendation, and to the best of his knowledge, he didn't make it. Chairman Maxwell responded that Commissioner Vickers was correct and the minutes would be amended accordingly. Vice Chairman Tinnan made a motion to approve the minutes as corrected. Commissioner Vickers seconded the motion and the minutes were approved by a vote of 7-0.

**PUBLIC COMMENT**

There were no cards submitted at this point for public comment.

Mr. Gray asked a favor of the Commission to ensure that all members signify their vote when the minutes are recorded, as sometimes they can't tell when everybody says "Aye" they don't hear them, or if they would like to do a show of hands that would be easier. Chairman Maxwell said they would do a show of hands.

## **AERONAUTICAL BUSINESS PERMIT(S)**

### **Item 2 – Action**

Ratification of Airpark Aeronautical Business Permit for James Warren to provide hangar/shade leasing in the airpark. (This item was tabled from the August 27, 2003 meeting and the October 8, 2003 meeting.)

Mr. Matt Johnson advised the Commission that James Warren has provided the appropriate documentation as required in the Airpark Minimum Operating Standards. In addition, this is an existing hangar facility, and the five-percent fee is anticipated to generate an additional \$900 in annual revenue to the Airport Enterprise Fund. Ms. Terry Williamson, an authorized representative of James Warren, was present at the meeting to answer any questions from the Commission. There were no questions from the Commission.

Vice Chairman Tinnan made a motion to approve ratification of the airpark Aeronautical Business Permit for James Warren. Commissioner Osborne seconded the motion. Chairman Maxwell inquired if there was any discussion on this item.

Commissioner Vickers advised the Commission he is abstaining from the vote on the permit approval process based on the fact that he does not believe they do enough background checks on the individuals, yet they have complied with the Airport Rules and Regulations.

The item was passed by a vote of 6-1, with Commissioner Vickers objecting.

### **Item 3 – Action**

Ratification of Airport Aeronautical Business Permit for Smith Aircraft Services, Inc. to provide mobile aircraft maintenance and repair services at Scottsdale Airport.

Mr. Johnson advised the Commission that Smith Aircraft Services, Inc. has provided the appropriate documentation as required in the Airport Minimum Operating Standards, and the insurance requirements, naming the City of Scottsdale as additional insured, have been met. This action is not anticipated to result in additional tiedown area demand, and the associated permit fees are anticipated to generate approximately \$1,200 in annual revenue to the Aviation Enterprise Fund. Mr. Johnson informed the Commission that Mr. William Smith, owner of Smith Aircraft Services, Inc. was present at the meeting to respond to any questions from the Commission.

Commissioner Madanick asked how many people would be working for Smith Aircraft Services, Inc. Mr. Smith responded only one. Commissioner Madanick inquired what Mr. Smith knew of this person. Mr. Smith responded he has been in his hangar at Deer Valley Airport for many years, they fly the same airplane, and they have been friends for many, many years. Commissioner Madanick inquired if the person had a criminal background. Mr. Smith responded no, and that the person is retired and that's why he has him.

Commissioner Mack inquired if Mr. Smith held an FAA license and had his background check done by the FAA. Mr. Smith responded yes. Commissioner Mack said that was all he needed to know.

Commissioner Mack made a motion to approve Ratification of Airport Aeronautical Business Permit for Smith Aircraft Services, Inc. to provide mobile aircraft maintenance and repair services at Scottsdale Airport. Commissioner Madanick seconded the motion. The item was passed by a vote of 6-1, with Commissioner Vickers objecting.

Vice Chairman Tinnan inquired how many others do they have providing maintenance and repair services at the airport. Mr. Johnson responded they have five. Mr. Gray interjected that mobile maintenance operators are only allowed to work on based piston-engine aircraft. Therefore, if you are other than mobile, you are one of the other facilities, such as Corporate Jets.

Commissioner Madanick inquired what type of aircraft Mr. Smith would be working on. Mr. Smith responded he works on all piston aircraft up to 10,000 pounds.

Chairman Maxwell asked if they were ready for a vote. Hands were raised, and vote was repeated as stated above.

**Item 4 – Action**

Ratification of Airpark Aeronautical Business Permit for Pragmatic Aviation, L.L.C. to provide hangar/shade leasing services in the Scottsdale Airpark.

Mr. Johnson advised the Commission that Pragmatic Aviation has provided the appropriate documentation as required in the Airpark Minimum Operating Standards. He added this is an existing facility in the Airpark, and the five-percent fee is anticipated to generate an additional \$1,620 in annual revenue to the Aviation Enterprise Fund. Mr. Johnson informed the Commission that Mr. Craig Stahl, manager of Pragmatic Aviation, L.L.C. was present to answer any questions from the Commission.

Commissioner Mack made a motion to approve ratification of the Airpark Aeronautical Business Permit for Pragmatic Aviation, L.L.C. to provide hangar/shade leasing services in the Scottsdale Airpark. Vice Chairman Tinnan seconded the motion and the item was passed by a vote of 6-1, with Commissioner Vickers objecting.

**Item 5 – Information**

Aeronautical Business Permit Additions, Cancellations, or Revocations.

Mr. Johnson advised the Commission that a current tenant list has been provided to the Commission that includes those permits, which were approved at the last meeting. He asked if there were any questions from the Commission. There were no questions or comments on this item.

**GENERAL BUSINESS**

**Item 6 – Action**

Consider recommendation to ADOPT Resolution No. 6398 and AUTHORIZE Contract No. 2003-174-COS, a lease agreement between the City of Scottsdale and Grand Canyon Airlines, Inc. for commercial office and counter space in the Airport Terminal Building.

Mr. Gary Mascaro stated that Grand Canyon Airlines is a scenic on-demand charter company that has been based at Scottsdale Airport in the terminal building for about a year. They were under a license agreement, which is a 30-day agreement with up to one-year, however, they are interested in a long-term deal now and negotiated with staff for a two-year lease with three one-year options. Mr. Mascaro added that Grand Canyon Airlines is doing well and would like to stay here. Staff worked with the City Attorney's office to draft up the lease agreement and the Commission has been provided with a copy in their packets.

Vice Chairman Tinnan had a question regarding the statement in the lease cover letter that the new base rent is anticipated to generate \$6,497, and was this an increase from the previous year. Mr. Mascaro responded there was no increase and it was the same base rent that they have been paying. However, it is a different type of rent as the license agreement is not legally considered rent, therefore it is the same deal, but if we don't approve this lease they will go away and then they won't have the rent. Vice Chairman Tinnan asked if the rate would be the same for each of the two-years. Mr. Mascaro responded it would, but after the two-years there is the CPI escalation if they concur.

Commissioner Vickers stated he would vote against this particular lease agreement because it does not contain an alternative dispute resolution clause, and contrary to the statement made by the assistant attorney, Mr. Paul Norman, who indicated in the minutes of the September meeting that the City had collected in excess of \$200,000 in legal fees pursuant to the attorney's fees provision, he did further investigation and the legal requirement of the attorney and the City's Financial Services said in the past five years the City of Scottsdale has only collected \$1,000 in court awarded attorney fees. However, the City of Scottsdale, due to the attorneys fees provision court award of attorney's fees, the City of Scottsdale has had to pay out over \$150,000. Commissioner Vickers stated he does not believe this could be a good provision for our City contracts and they should have alternative dispute clauses and therefore he will vote against it.

Vice Chairman Tinnan stated his understanding is this is a standard lease from and there is merit in Commissioner Vickers comment, however, he does not think they have an opportunity to amend it unless they consider going forward to the City Council and the City Attorney's Office with a recommendation.

Commissioner Mack made a recommendation to ADOPT Resolution No. 6398 AUTHORIZING Contract No. 2003-174-COS, a lease agreement between the City of Scottsdale and Grand Canyon Airlines, Inc. for commercial office and counter space in the airport Terminal Building. Vice Chairman seconded the motion and it passed by a vote of 6-1, with Commissioner Vickers objecting.

**Item 7 – Action**

Consider recommendation to ADOPT Resolution No. 6393 and AUTHORIZE Amendment to lease agreement between the City of Scottsdale and Southwest Flight Center regarding relocation within the Aviation Business Center.

Mr. Mascaro advised the Commission that Southwest Flight Center currently occupies two offices in the Aviation Business Center and they wish to vacate one of their offices, Suite 109, and relocate to the currently vacant Suite 101. This move would generate additional revenue of \$6,800 per year for the larger Suite 101. He added they have an Aeronautical Business Permit and have been working at this airport for over 25 years.

Commissioner Guilfoxy inquired if there were any tenant improvements related to the move. Mr. Mascaro responded that at this time they did not specify any tenant improvements. Vice Chairman Tinnan asked if the base rent is based upon square footage. Mr. Mascaro responded that was correct. Vice Chairman Tinnan asked if all the tenants pay the same per square footage. Mr. Mascaro responded no, and that it varies depending on the time the tenant's lease was established, market value, and the bid process. Vice Chairman Tinnan inquired if the per square foot fee is a new standard that will apply to any extensions or new leases. Mr. Mascaro responded that with this lease agreement, this fee is the new current market rate of \$20 per square foot. Mr. Gray added if they have an existing lease agreement, they may be paying a different fee because at the time the lease was signed the fee was different and it is escalated based on CPI. However, if someone comes in now and asks for new office space, they will get this rate up until a point where the rate is changed based upon the economy.

Commissioner Mack made a recommendation to ADOPT Resolution No. 6393 and AUTHORIZE the amendment to lease agreement between the City of Scottsdale and Southwest Flight Center regarding relocation within the Aviation Business Center. Vice Chairman Tinnan seconded the motion and it passed by a vote of 7-0.

**Item 8 – Action**

Consider recommendation to ADOPT Resolution No. 6410 and AUTHORIZE Intergovernmental Agreement No. 2003-186-COS with the Arizona Department of Transportation (ADOT) accepting a grant for \$225,000 for security improvements.

Mr. Chris Read provided the Commission with a summary of the key points on how funding from this grant will be used to design and construct security projects such as fencing, gates and surveillance equipment. The grant will cover 90 percent of the cost of the security improvements and the Aviation Division will be required to match the remaining 10 percent. The cost to the Aviation Enterprise Fund will be \$22,500. Mr. Read added that Aviation staff will consult with the TSA on these improvements, and all the projects must be approved before the funds are expended.

Commissioner Mack made a recommendation to ADOPT Resolution No. 6410 and AUTHORIZE Intergovernmental Agreement No. 2003-186-COS with the Arizona Department of Transportation (ADOT) accepting a grant for \$225,000 for security improvements. Commissioner Guilfoxy seconded the motion and it passed by a vote of 7-0.

**Item 9 – Action**

Consider recommendation to approve the proposed Five-Year Aviation Capital Improvement Program.

Mr. Mascaro advised the Commission there have been no changes since last month when this item was brought to the Commission as an informational item. He added this is a recommendation that will go to the City Council, however it will need to go to the City Manager first with her recommendation as noted.

[Commissioner Vickers left the meeting at 7:05 p.m.]

Vice Chairman Tinnan made a motion to recommending approval of the proposed Five-Year Aviation Capital Improvement Program. Commissioner Mack seconded the motion and it passed by a vote of 6-0.

[Vice Chairman Tinnan left the meeting at 7:06 p.m.]

## **PILOT/COMMUNITY OUTREACH UPDATE**

### **Item 10 – Information**

October 2003 Noise Report.

Ms. Jennifer Lewis advised the Commission that the total noise complaints in October were up a little bit from September and the total complaints reached 547. However, the total increase was at the regional complaints level and the local complaints actually went down by 55. Ms. Lewis added there were 14 proactive pilot briefings and four pilot pledges were received. In addition, they returned 32 noise calls, 78 pilot enforcement letters, and over 1,000 information packets were sent out the majority included the initiation brochures for the Part 150 Study. Ms. Lewis informed the Commission there were also 3 real estate briefings conducted, and 8 development proposals reviewed for noise program compliance.

Ms. Lewis advised the Commission that the first Part 150 public workshop was held on October 30<sup>th</sup> and there were less than 10 members of the public in attendance. Representatives from the FAA, some community supporters, Airport staff, City staff and two Airport Commissioners also attended.

Ms. Lewis briefed the Commission on additional outreach efforts and noted that some positive remarks that were included in the noise complaint database. Ms. Lewis added they have now established a method of tracking positive comments and those numbers can also be provided to the Commission. She added they made a revision to some of the language in the Pilot Pledge and the new version has been provided to the Commission. Ms. Lewis said an electronic version of the Pilot Pledge is now being reviewed by CAPA for posting on the website so pilots can view and sign it electronically. This should be ready by Monday. Ms. Lewis added the title of the Pilot Noise Abatement Pledge has been changed to "Good Neighbor Pledge," and they added a direct statement at the bottom that it was not legally binding.

Ms. Lewis stated another outreach effort was conducted in response to realtor inquiries. There was an article drafted for both the Scottsdale and Phoenix Realtor magazines and the articles will be published in December or January. The article addresses what information realtors and potential homebuyers can get and encourages them to contact the Airport in advance of a final purchase.

Ms. Lewis responded to and participated in additional discussion with the Commission regarding the pilot pledge language and information requested on the form, and regarding the noise correspondence that was sent out in the month of October. Commissioner Madanick suggested the correspondence should also be sent to the owners of the aircraft and not only the pilots who were sent noise correspondence.

Commissioner Guilfoxy questioned the formation departures correspondence and if the Tower was informed. Mr. Gray responded it was his understanding that the controller involved was not aware of the formation departures prohibition. Commissioner Guilfoxy inquired if military jets come in on the weekend and request a formation departure would that be granted. Mr. Gray responded there are no formation takeoffs permitted and military jets take off in shifts.

## **OPERATIONS UPDATE**

### **Item 11 – Information**

Review of Airport Operations for October 2003.

Mr. Chris Read provided the Commission with a review of Airport Operations for the month of October 2003.

Commissioner Mack inquired what size fuel spill do they look at. Mr. Read responded that typically what they will see is spills of about 10-20 gallons that spread out to 10-20 feet. He added they had a major spill the previous month that involved some environmental cleanup that will be charged to those responsible for the spill.

## **MEETING SCHEDULE**

### **Item 12 – Action**

Review/Modify Meeting Schedules 2003/2004.

There were no changes/modifications to the meeting schedules.

## **PUBLIC COMMENT**

There were no public comments.

## **DIRECTOR'S REPORT**

Mr. Gray gave the Commission an update on general aviation airport security. He added that he and Mr. Read participated in a teleconference listening to the members of the Aviation Security Advisory Committee that was established by the TSA and took place last Tuesday. Mr. Gray stated their recommendations were released today and he provided copies to the Commission for their review, adding they will be sent to the TSA who will ultimately be responsible for creating either advisories or rules for general aviation. Mr. Gray reviewed the recommendations and their categories, noting there was a recommendation for transient pilots to have a sign-in/sign-out procedure for those operators. Mr. Gray added that many of the recommendations are already in place at Scottsdale Airport.

## **ITEMS FROM THE COMMISSION**

Commissioner Mack questioned if there was anything they could do to caution those going into Ironwood or Union Hills for the DC Ranch Development of the proximity to the Airport. Mr. Mascaro stated they are starting Phase Two of the signage project and he has had conversation with the DC Ranch people and they are going to place signs at designate locations advising of the Airport's proximity.

Commissioner Mack inquired if they are considering doing anything special for the 100<sup>th</sup> anniversary of aviation. Mr. Gray responded there was some discussion and it was an issue with the new FBO that was going to do something for Toys for Tots and the holiday season, but he has not heard back from them if they have decided to do anything. Mr. Gray stated he would follow up with them and let the Commission know if anything is planned. Mr. Gray added the City is not planning to do anything specific. He added staff is interested in having some type of open house that could also be used as an educational forum.

Commissioner Guilfooy inquired when the new Fire Station would open. Mr. Read responded it should open in March or April of next year.

## **ADJOURNMENT**

Commissioner Mack made a motion to adjourn the meeting. The meeting was adjourned at 7:30 p.m.

Respectfully submitted,

Diana Maggiola  
Administrative Secretary